

Endowment Fund Investment Bd Endowment Investments

Description:

The basic goals of the Endowment Fund Investment Board are to provide safety of investments, increased distributions to fund beneficiaries, growth of the principal through realized capital gains, and to provide investment management to the State Insurance Fund.

Major Functions and Targeted Performance Standard(s) for Each Function:

1. Earnings reserve fund.

A. Public school.

Actual Results			
1999	2000	2001	2002
		29,554,264	20,799,065
Projected Results			
2003	2004	2005	2006
21,200,000	22,300,000	23,415,000	25,050,000

B. Pooled investments

Actual Results			
1999	2000	2001	2002
		19,934,687	14,437,760
Projected Results			
2003	2004	2005	2006
14,700,000	15,400,000	16,200,000	17,350,000

2. Permanent Endowment Fund.

A. Public school.

Actual Results			
1999	2000	2001	2002
		515,590,463	444,139,936
Projected Results			
2003	2004	2005	2006
453,000,000	475,700,000	499,500,000	534,500,000

B. Pooled investments.

Actual Results			
1999	2000	2001	2002
		236,818,142	203,802,952
Projected Results			
2003	2004	2005	2006
208,000,000	218,400,000	229,300,000	245,350,000

3. Total fund - this is the permanent corpus plus earnings reserve. Active (as opposed to buy and hold) investment management of endowment funds and the State Insurance Fund by manager of investments, assistant managers and equity managers.

A. Public school

Actual Results			
1999	2000	2001	2002
523,295,526	552,321,831	545,144,727	464,939,001
Projected Results			
2003	2004	2005	2006
474,200,000	498,000,000	522,915,000	559,550,000

Endowment Fund Investment Bd

Endowment Investments

B. Pooled investments.

Actual Results			
1999	2000	2001	2002
239,638,864	253,563,333	256,752,829	218,240,712
Projected Results			
2003	2004	2005	2006
222,700,000	233,800,000	245,500,000	245,500,000

C. State Insurance Fund.

Actual Results			
1999	2000	2001	2002
315,548,582	294,039,948	393,152,396	290,092,667
Projected Results			
2003	2004	2005	2006
295,900,000	297,000,000	299,000,000	300,000,000

4. Distribution to fund beneficiaries.

A. Public school appropriations/ distribution or estimate.

Actual Results			
1999	2000	2001	2002
31,700,000/31,844,386	33,200,000/33,336,888	44,700,000/44,700,000	47,675,000/47,675,000
Projected Results			
2003	2004	2005	2006
43,313,000/43,313,000	37,750,000/37,750,000	35,300,000/35,300,000	34,325,000/34,325,000

B. Pooled appropriations/distribution or estimate.

Actual Results			
1999	2000	2001	2002
14,000,000/14,082,812	14,740,000/15,229,512	20,750,000/20,750,000	21,965,000/21,965,000
Projected Results			
2003	2004	2005	2006
19,925,000/19,925,000	17,355,000/17,355,000	16,215,000/16,215,000	15,755,000/15,755,000

C. State Insurance Fund income earned/dividend distribution.

Actual Results			
1999	2000	2001	2002
18,147,934/41,500,000	17,200,090/33,000,000	17,104,414/25,000,000	15,637,075/19,500,000
Projected Results			
2003	2004	2005	2006
15,500,000/16,000,000	16,000,000/16,000,000	16,500,000/17,000,000	17,000,000/17,000,000

5. To provide performance report --FY2001 was first equity year.

A. Total fund performance

Actual Results			
1999	2000	2001	2002
		-3.00%	-10.33%
Projected Results			
2003	2004	2005	2006
2.00%	5.00%	5.00%	7.00%

Endowment Fund Investment Bd Endowment Investments

6. Agency cost - Continuous appropriation consultant, equity managers, bank custodian fees..

A. Total continuous appropriation cost and estimates.

Actual Results			
1999	2000	2001	2002
		1,327,421	3,215,995
Projected Results			
2003	2004	2005	2006
3,000,000	3,475,000	3,650,000	3,900,000

7. Cost of management by outside firm at 0.25%.

A.

Actual Results			
1999	2000	2001	2002
2,696,207	2,749,813	2,774,501	2,867,768
Projected Results			
2003	2004	2005	2006
2,964,160	3,051,299		

Program Results and Effect:

The Endowment Fund Investment Board produces distribution estimates to fund beneficiaries. The Fund is constantly researching ways to maximize return to the funds under management. The ultimate effect of this program is the continued management necessary to maintain fund safety and to insure maximum return to the fund beneficiaries and the people of Idaho.

Numbers for FY 2001 and beyond are based on the variable spending policy. The State Insurance Fund estimates are purely speculative, due to the changes that have taken place in their office.

1A and 1B, 2A and 2B are market values. 3A and 3B are book values through FY 2000 and market values thereafter. 3C is book value throughout.

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